

Message Text

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PAGE 01 GENEVA 00108 051620Z
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TAGS: ITU, ETEL
SUBJECT: ITU: SALE OF ITU PUBLICATIONS IN U.S.

REF: STATE 309222

1. ON JANUARY 5, TELATT SPOKE TO ITU DEPUTY SECRETARY
GENERAL BUTLER ABOUT SALES OF ITU PUBLICATIONS IN U.S.
AND BUTLER ADVISED AS FOLLOWS:

A. ITU NOT ONLY HAS SALES AGREEMENT WITH TELEPHONY
PUBLISHERS BUT HAS SIMILAR ARRANGEMENT WITH HORIZON
HOUSE INTERNATIONAL AS WELL. HORIZON HOUSE AGREEMENT
WAS CONCLUDED IN SUMMER OF 1977 AND, ACCORDING TO
BUTLER, JOHN O'NEILL WAS FAMILIAR WITH TERMS. AGREEMENT
WITH TELEPHONY WAS CONCLUDED AS RESULT OF APPROACH
MADE BY THAT ORGANIZATION TO ITU REPS AT INTELCOM 77.

B. FOREGOING AGREEMENTS WERE CONCLUDED AS RESULT
OF ITU'S DISSATISFACTION WITH BOTH ACTUAL SALES FIGURES
OF CCIR BOOKS BY NTIS AND LATTER'S REQUIREMENTS AS TO
STOCKING OR DISTRIBUTION FEE (\$30-40 PER SET OF
DOCUMENTS HAD TO BE PAID BY ITU) AND LACK OF ADVERTISING
AND PROMOTION OF THESE PUBLICATIONS BY NTIS. SALES
FIGURES FROM NTIS HAVE BEEN EXTREMELY DISAPPOINTING.

UNCLASSIFIED

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PAGE 02 GENEVA 00108 051620Z

C. TELEPHONY AND HORIZON HOUSE PAY BASICALLY THE
SAME PRICE FOR ITU DOCUMENTS AS NTIS BUT DO NOT CHARGE
ITU ANY STOCKING FEE. BOTH ARE PROMOTING THESE
PUBLICATIONS HEAVILY IN THEIR PERIODICALS AND CHARGE
CUSTOMERS THE SAME PRICE AS THE ITU CHARGES DIRECT
PUBLIC PURCHASERS. BOTH REFER ORDERS ON TO ITU WHICH
THEN SHIPS PUBLICATIONS DIRECT FROM GENEVA. NTIS

REQUIRES LARGE NUMBERS OF COPIES ON HAND, THUS TYING UP A CONSIDERABLE STOCK. HORIZON HOUSE ALSO HAS ADVANTAGE OF HAVING INTERNATIONAL CIRCULATION AND ITS ADVERTISING COULD STIMULATE SALES OUTSIDE U.S. TELEPHONY HAS WIDE CIRCULATION AMONG SMALLER INDEPENDENT U.S. TELEPHONE COMPANIES - AN AREA, ITU BELIEVES, WHICH IS NOT COVERED BY NTIS CIRCULARS.

D. BUTLER MADE ARRANGEMENTS WITH THESE PRIVATE COMPANIES FOLLOWING SOUR EXPERIENCE WITH PUBLICATION AND SALES OF CCIR GREEN BOOKS. HE NOTED THAT ORIGINAL NTIS AGREEMENT WAS MADE BY CCIR DIRECTOR KIRBY DIRECTLY WITHOUT EVEN SO MUCH AS AN INFO COPY TO GENERAL SECRETARIAT AND THAT BUTLER DID NOT KNOW OF THIS ARRANGEMENT UNTIL OVER A YEAR AFTER IT HAD BEEN CONCLUDED EVEN THOUGH, HE NOTED, GENERAL SECRETARIAT HAS RESPONSIBILITY FOR PUBLISHING AND SALES OF ALL ITU DOCUMENTS. HE NOTED THAT BECAUSE OF UNFOUNDED OPTIMISM BY KIRBY, LARGELY BASED ON AN EXPECTED LARGE INCREASE IN SALES GENERATED BY NTIS, CCIR DIRECTOR DOUBLED PRODUCTION RUN OF GREEN BOOKS. SALES, HOWEVER, DID NOT INCREASE AND ITU IS NOW STUCK WITH SF2 MILLION WORTH OF UNSOLD GREEN BOOKS. SINCE NTIS HAS BEEN UNABLE TO DISPOSE OF THESE, THE ORIGINAL DEAL WITH HORIZON HOUSE WAS TO COVER THE GREEN BOOK AND WAS THEN EXPANDED TO INCLUDE THE CCITT ORANGE BOOKS AS WELL.
UNCLASSIFIED

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PAGE 03 GENEVA 00108 051620Z

E. BUTLER RELUCTANTLY ENTERED INTO AGREEMENT WITH NTIS RE SALES OF CCITT PUBLICATIONS AS RESULT OF USG PRESSURE BUT WITH GREAT MISGIVINGS BECAUSE HE DID NOT LIKE ORIGINAL SALES AGREEMENT RE CCIR BOOKS WHICH WAS CONCLUDED WITHOUT HIS KNOWLEDGE AND CONTAINED UNDESIRABLE PROVISIONS (E.G. STOCKING FEE) AND HE WAS UNIMPRESSED WITH NTIS' ABILITY TO PROMOTE THESE DOCUMENTS. BUT HE EMPHASIZED THAT HIS PRIMARY GOAL IS TO MINIMIZE COST TO ITU, TO INCREASE SALES AND TO INCREASE ITU INCOME. HE NOTED IN THIS REGARD THAT IF ONE U.S. DISTRIBUTOR (NTIS) DID NOT DO AN ADEQUATE JOB IN THIS REGARD, HE DID NOT SEE WHY ITU SHOULD NOT SEEK OTHER DISTRIBUTORS WHO OFFERED GREATER POSSIBILITIES OF SUCCESS.

2. SHOULD DEPARTMENT WISH THIS MATTER TO BE PURSUED FURTHER, MISSION SUGGESTS THAT BEST OCCASION WILL BE CALL BY RUTH PHILLIPS ON BUTLER NOW SCHEDULED FOR 10:00 A.M., FRIDAY, JANUARY 13. ACCORDINGLY, WE SUGGEST MRS. PHILLIPS BE FULLY BRIEFED ON THIS SUBJECT BEFORE HER DEPARTURE.

3. BUTLER ALSO ASKED MISSION TO ADVISE DEPARTMENT THAT
ITU NOW CONCLUDING AGREEMENT WITH MCGRAW-HILL PUBLISHERS
OF U.S. WHEREBY LATTER WILL REPRODUCE ITU TEXTS IN
FORTHCOMING COMPENDIUM ON DATA TRANSMISSION TOGETHER
WITH ISO AND U.S. NATIONAL STANDARDS. PUBLISHER
WILL PAY ITU STANDARD ROYALTY. VANDEN HEUVEL

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